

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W. R. GRACE & Co., et al.,)	Case No. 01-1139 (JFK)
)	(Jointly Administered)
Debtors.)	

PRECAUTIONARY NOTICE OF STATUS AS A SUBSTANTIAL EQUITYHOLDER¹

PLEASE TAKE NOTICE that York Credit Opportunities Master Fund, L.P. (“YCOMF”), together with other investment funds and accounts indirectly advised by York Capital Management Global Advisors, LLC, may be deemed to have become a Substantial Equityholder with respect to the equity securities (the “Equity Securities”) of W. R. Grace & Co., a debtor and debtor in possession in Case No. 01-1139, pending in the United States Bankruptcy Court for the District of Delaware (the “Court”).

PLEASE TAKE FURTHER NOTICE that, as of February 11, 2011, YCOMF Beneficially Owns 1,988,100 shares of the Equity Securities of W. R. Grace & Co. The following table sets forth the date(s) on which YCOMF acquired or otherwise became the Beneficial Owner of such Equity Securities:

Number of Shares	Type of Equity Security	Date Acquired
1,988,100	common stock	Prior to 2/14/2011
3,580,060 ²	common stock	Prior to 2/14/2011

PLEASE TAKE FURTHER NOTICE that the taxpayer identification number of YCOMF is 98-0607508.

PLEASE TAKE FURTHER NOTICE that this filing is made by YCOMF, as YCOMF, together with York Credit Opportunities Fund, L.P., Merrill Lynch Investment Solutions – York Event-Driven UCITS Fund, Jorvik Multi-Strategy Master Fund, L.P., York Capital Management L.P., York Multi-Strategy Master Fund, L.P. and certain accounts managed by York Managed Holdings, LLC, each of which is indirectly advised by York Capital Management Global Advisors, LLC, have collectively purchased 4.89% of Equity Securities. While YCOMF has not

¹ For purposes of this Notice, all capitalized terms not defined herein shall have the same meaning as is set forth in the Final Order of this Court, entered [January 26, 2005], Limiting Certain Transfers of Equity Securities of the Debtors and Approving Related Notice Procedures.

² Aggregate deemed Beneficial Ownership of YCOMF together with other investment funds and accounts indirectly advised by York Capital Management Global Advisors, LLC, if such investment funds and accounts were deemed to be “acting in concert” for purposes of section 382 of the Internal Revenue Code and regulations thereunder.

concluded that the relationships among the foregoing entities are sufficient to cause YCOMF to have "Beneficial Ownership" as defined under section 382 of the Internal Revenue Code over Equity Securities owned by the other entities set forth above, in an abundance of caution, YCOMF hereby informs the Debtors and the Court of its ownership interest in the Equity Securities described herein.

PLEASE TAKE FURTHER NOTICE that, under penalties of perjury, YCOMF hereby declares that it has examined this Notice and accompanying attachments (if any), and, to the best of its knowledge and belief, this Notice and any attachments that purport to be part of this Notice are true, correct and complete.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Final Order of this Court, entered on January 26, 2005, Limiting Certain Transfers of Equity Securities of the Debtors and Approving Related Notice Procedures, this Notice is being (A) filed with the Court, and (B) served upon Kirkland & Ellis LLP, counsel to the Debtors, 200 E. Randolph Drive, Chicago, Illinois 60601, Attn.: Janet S. Baer, Esq.

Dated: February 14, 2011
New York, New York

Respectfully submitted,

York Credit Opportunities Master Fund, L.P.

By: 

Name: Adam J. Semler

Title: Chief Operating Officer of its General Partner

York Capital Management
767 5th Ave., 17th Floor
New York, NY 10153
Ph 212-710-6549
Fax 212-710-6590